

The State of Utah

Department of Natural Resources

Division of Oil, Gas & Mining

ROBERT L. MORGAN Executive Director

LOWELL P. BRAXTON Division Director

OLENE S. WALKER Governor

GAYLE F. McKEACHNIE

Lieutenant Governor

Representatives Present During the Inspection:				
Company	Vicky Miller			
Company	Steve Demczak			

Inspection Report

Permit Number:	C0070018				
Inspection Type:	COMPLETE				
Inspection Date:	Wednesday, February 16, 2011				
Start Date/Time:	2/16/2011 10:00:00 AM				
End Date/Time:	2/16/2011 1:00:00 PM				
Last Inspection:	Tuesday, October 19, 2010				

Inspector: Steve Demczak,

Weather: Sunny, 20's, Snow Covered InspectionID Report Number: 2664

Accepted by: jhelfric

3/3/2011

Permitee: CANYON FUEL COMPANY Operator: CANYON FUEL COMPANY

Site: SOLDIER CANYON MINE

Address: PO BOX 1029, WELLINGTON UT 84542

County: CARBON

Total Disturbed Phase I Phase II Phase III

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages	Mineral Ownership	Types of Operations		
6,624.64 Total Permitted	✓ Federal	✓ Underground		

		-	_	-
✓	Federal		/	Underground
✓	State			Surface
	County			Loadout
	Fee			Processing
	Other			Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Condition: Canyon Fuel Company has just one permit condition for the Soldier Canyon Mine; to submit water quality data in an electronic format through the Electronic Data Input web site.

Permitting Actions: None

Inspector's Signature:

Date

Monday, February 28, 2011

Inspector ID Number: 39

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.





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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale	✓		✓	
2.	Signs and Markers	✓		V	
3.	Topsoil	✓		Y	
4.a	Hydrologic Balance: Diversions	✓		✓	
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	V		~	
4.c	Hydrologic Balance: Other Sediment Control Measures	✓			
4.d	Hydrologic Balance: Water Monitoring	Y			
4.e	Hydrologic Balance: Effluent Limitations	✓		✓	
5.	Explosives		V		
6.	Disposal of Excess Spoil, Fills, Benches		✓		
7.	Coal Mine Waste, Refuse Piles, Impoundments		V		
8.	Noncoal Waste	V		~	
9.	Protection of Fish, Wildlife and Related Environmental Issues	V			
10.	Slides and Other Damage	✓		✓	
11.	Contemporaneous Reclamation	V		V	
12.	Backfilling And Grading		V		
13.	Revegetation		✓		
14.	Subsidence Control	V			
15.	Cessation of Operations	✓		V	
16.a	Roads: Construction, Maintenance, Surfacing	V			
16.b	Roads: Drainage Controls	V		✓	
17.	Other Transportation Facilities		✓		
18.	Support Facilities, Utility Installations	✓		V	
19.	AVS Check	V			
20.	Air Quality Permit	✓		Y	
21.	Bonding and Insurance	V		<u> </u>	
22.	Other				

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1. Permits, Change, Transfer, Renewal, Sale

No permitting action is currently being processed with the Division for Soldier Creek Mine. The permit will expire on Feb. 12, 2012. The SPCC plan was last inspected on December 3, 2007. The UPDES permit will expire on March 31, 2011.

2. Signs and Markers

The identification sign was on the side of the main road overlooking the sediment pond. The information addressed the requirements of the R645 Coal Rules.

3. Topsoil

The topsoil piles are located below the mine. There were no signs of wind or water erosion. The piles are snow covered.

4.a Hydrologic Balance: Diversions

Diversions were snow covered.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Sediment pond contained a small amount of water. It is unlikely to discharge in the near future. I inspected the sediment pond and did not see any hazardous conditions. The permittee inspected the pond on Oct. 14, 2010. There were no hazardous conditions reported.

4.e Hydrologic Balance: Effluent Limitations

The sediment pond did not discharge for the fourth quarter of 2010.

8. Noncoal Waste

The site was clear of non-coal waste material.

10. Slides and Other Damage

No slides or orther damage was noticed during the inspection.

11. Contemporaneous Reclamation

There is no contemporaneous reclamation on the mine site.

15. Cessation of Operations

The mine site is still in temporary cessation.

16.b Roads: Drainage Controls

Roads are snow covered.

Inspection Continuation Sheet

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18. Support Facilities, Utility Installations

There are no new facilities.

20. Air Quality Permit

The Air Quality Permit is DAQE-334-94.

21. Bonding and Insurance

The insurance policy will expire on July 31, 2011. The bonding amount is \$1,593,000.